

FRACTIONAL CURRENCY COLLECTORS BOARD

Spring 2017**Go West Young Man...**

As Horace Greeley, founding editor of the New York Tribune, is quoted as saying... "Go West, young man, go West...". And in a few short weeks I'll be back on the trail, following Horace's sage advice, and heading for Kansas City and a new era for the International Paper Money Show.

I've just returned from a whirlwind tour of the Georgia State Show, Central States, a trip to several Ohio US President's homes, the football Hall of Fame, Gettysburg, and Niagara Falls. I was just starting to relax a bit back at home and Jerry called, saying he needed a column right away and tell everyone about plans for Kansas City so he can get this newsletter printed and mailed. So here's my thoughts...

There's a number of us going to be in Kansas City for the Big Show that had been held in Memphis for 40 years. We'll have some new territory to explore, learn the lay of the land, and of course find the best places to eat! There also are a couple of things I'm interested in seeing, time permitting. Top of the list is the Money Museum at the Federal Reserve Bank in downtown Kansas City. There's also the National World War 1 Museum, and keeping with my recent trip to Gettysburg, maybe I check-out the Union Cemetery.

We want to do a get together for a Dutch Treat dinner Friday night. So, if you want to get in on it, call me at the show on my Cell Phone: 587-214-1444 before 2pm Friday at the show. Invite your other collector friends to join us...perhaps we can get them interested in postage/fractional! I'll record your intentions and get your Cell Phone number so we can make reservations and keep you updated on what may be very fluid plans. However if works out I'm sure we'll have good fun and comaraderie.

While we're at the show we will try to use the Peraxis table as a meeting place. He's a nice guy and always has some Fractionals. He doesn't know I'm using him as a hub but I know he won't mind, especially if we spend some money there!

On the Fractional front I see steady prices currently, yet there seems to be some bargains out there. Grant Sherman's seem plentiful in less than Gem condition, and they seem to be more affordable. Condition remains the bellwether for us, but don't be afraid to grab a nice rarity in Extra Fine or so. I had a number of lower grade rare notes and I cherished them.

Hope to see you in KC!

Sincerely,

Bill Brandimore

FCCB President and Chief Bottle Washer

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Separating Fractional Currency

By

Rick Melamed

A remarkable print (c. 1868) has recently surfaced entitled "Separating Fractional Currency". The actual print measures 4.3" x 5.3". Close examination of the print indicates it was engraved. Unfortunately there is no artist information or any indication on why this print was made but we can assume it was probably for a newspaper or magazine.

What is illuminating is the subject matter. Two women in period dress are seated at a separating machine. The woman behind the machine is feeding an uncut sheet of fractionals (cannot determine the issue...but I assume by the date it is first, second or third) into the machine. The second woman is positioned on the other side to collect the cut strips of fractionals. To the right and left of the woman are stacks of fractional sheets, waiting to be separated.

The sheet is fed, on a 45 degree angle, on the separating table. It appears once the sheet is properly aligned; the woman would depress a foot pedal which would bring down a guillotine type blade to cut individual rows of fractionals.

No doubt the mechanical machine is a clever device. There are gears on the side which would help minimize the force required to cut the sheets. It also appears that the actual blade is adjustable to properly align the blade in order to facilitate a proper cut. It would also explain why so many fractional are mis-cut. Imagine sitting on the machine all day...no doubt fatigue and boredom could cause the operator to be less than precise.

An illuminating print that gives us all a perspective on how fractional were prepared for the public.



Member's Trading Post

Looking for Graphics of Satirical Notes and other Rare Fractional Items for Historical Digital Collection Effort. Jerry Fochtman jerry@fochtman.us	Researcher/Collector interested in ALL fractionals with inverted or mirrored plate numbers. If you have one (for sale or research) please e-mail riconio@yahoo.com or call 818/591-2326. Thanks – Rick Melamed.	Want lists serviced and auction representation with over 40 years of Fractional experience Mike Marchioni Marchion@ETSU.EDU 423/439-5362
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Current FCCB Members are welcome to submit requests for the Trading Post!

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Newsletter Articles

As I'm sure our members have observed, Rick Melamed keeps a sharp eye out for all things that may be related to our postage/fractional currency. I'm continually amazed at the things he uncovers and how quickly he researches it and puts together an article to share with our members. He also reaches out to many of us as a part of his research to help provide him images of things, old catalog references or articles that may have been previously published.


So when you have a few moments, drop Rick a note and let him know just how you enjoy the things he uncovers and shares, expanding our knowledge of this corner of numismatic history.

ANA Summer Seminar

The American Numismatic Association offers a Summer Seminar program. It's a once-a-year opportunity for numismatic learning and camaraderie that offers students a varied selection of week-long courses designed for discovery or continued study. There are 2 sessions offered covering a wide variety of topics.

In addition, there are mini-seminars offered, conducted in one or two evenings, providing participants the opportunity to study more than one area of interest. On Sunday and Monday, June 18-19, will be a mini-seminar titled "Fractional Currency: The Notes and Stories Behind Them." The seminar will be led by fractional currency enthusiast David Stitely, FCCB Treasurer/Membership Chair.

When you have a moment, extend to David your appreciation for his efforts in promoting the collecting and study of postage/fractional currency.

 Paste this petition on large sheet of paper, get all signatures possible of voters, and mail at once to Postal League, care FARM AND HOME, Springfield, Mass. Put address and occupation against each name.

What the People Desire of the Postoffice (OVER)

To the Honorable Senate and House of Representatives of the Congress of the United States:

We, the undersigned petitioners, citizens of and voters in the locality indicated against our respective names, do hereby respectfully but earnestly petition your most honorable body to immediately provide for the following reforms in the postoffice department:

1. Consolidate third and fourth classes of mail into a parcels post, to be carried—one pound or less for a cent, two cents on each additional pound, the extreme weight of a package to be eleven pounds.
2. Provide a simple and efficient postal currency for remitting fractions of a dollar or larger amounts safely by mail.

NAMES	POSTOFFICE	OCCUPATION
<small>(OVER)</small>		

Sent by.....


P. O.



Date..... State.....

On the reverse there is instructions on how to write Congress; this statement is telling:

2. Provide a simple and efficient postal currency for remitting fractions of a dollar or larger amounts safely by mail.

While it sounds like a postal money order (the US Post Office first issued postal money orders in 1864), it is different since it is currency and not a specified payment vehicle. Shown is a money order from 1889.

ROSEBURGH, Oregon.		No. 28780	
Stamp of Issuing Office.	ADVICE		AMOUNT. Dollars. Cents. 3 00
	of Money Order drawn by the above-named Post Office on the 20 day of Sep, 1889, on the Post Office at Oakland in the State of Ca Amount of Order Three Dollars and 00 Cents.		
THE PAYEE—viz: The person to whom the Order is payable.			
GIVEN NAME. J. Wilson		SURNAME.	
RESIDENCE.			
Number and Street.		Town or City. Oakland Ca	State.
THE REMITTER—viz: The person who purchased the Order.			
GIVEN NAME. H. L. McV...		SURNAME.	
RESIDENCE.			
Number and Street.		Town or City. Ca	State.
Signature of the Postmaster who draws the Order. W. J. Moore, Postmaster.			
This ADVICE must be signed by the Postmaster who draws the Order, and the Postmaster upon whom it is drawn will be careful to preserve it on file in his office. A SEPARATE ADVICE must invariably be sent for each Order.			
D. & C.			

DATE OF RECEIPT.	ROSEBURGH, Oregon.	DATE OF PAYMENT.
	ADVICE OF MONEY ORDER.	
Certificate of Identification.		
To be used in case the person presenting the corresponding Money Order for payment is unknown to the Postmaster.		
I hereby certify that here present, who has received the Money Order corresponding to the within Advice, as thereof, is known to me to be the person he represents himself to be.		
Signature and Residence, or place of Business.		
No. Street, City (or Town) State		

It also is similar to postal notes (issued by the Post Office from 1883-1894). Postal notes were similar to money orders and issued in variable denominations from 1¢ to \$4.99. However, they were also not currency, but a way to send money through the mail from one person to another. Shown are 2 different styles of postal notes. Postal note values were punched out in cents on the right and the dollar denominations cut (on the left) to the desired value. The overall value was also handwritten and signed by the postal employee in the middle.



A close examination of the language on the petition indicates this plea, for the return of postal fractional currency, was an independent demand and fundamentally different from postal notes or money orders. While the purpose of the 1904 dated petition called for the (re)adoption of postage fractional currency for use in matters dealing with the mail system, the terminology harkens back to 1862 when postal currency was first issued.

The appeal for action was never heeded. Nearly 30 years after the last fractional was issued; Congress and US citizens let the matter die. But think of the collecting possibilities if Congress enacted the petition and reissued fractionals. A case of what might have been. A very interesting historical footnote.



Fractional Currency Wallets

By

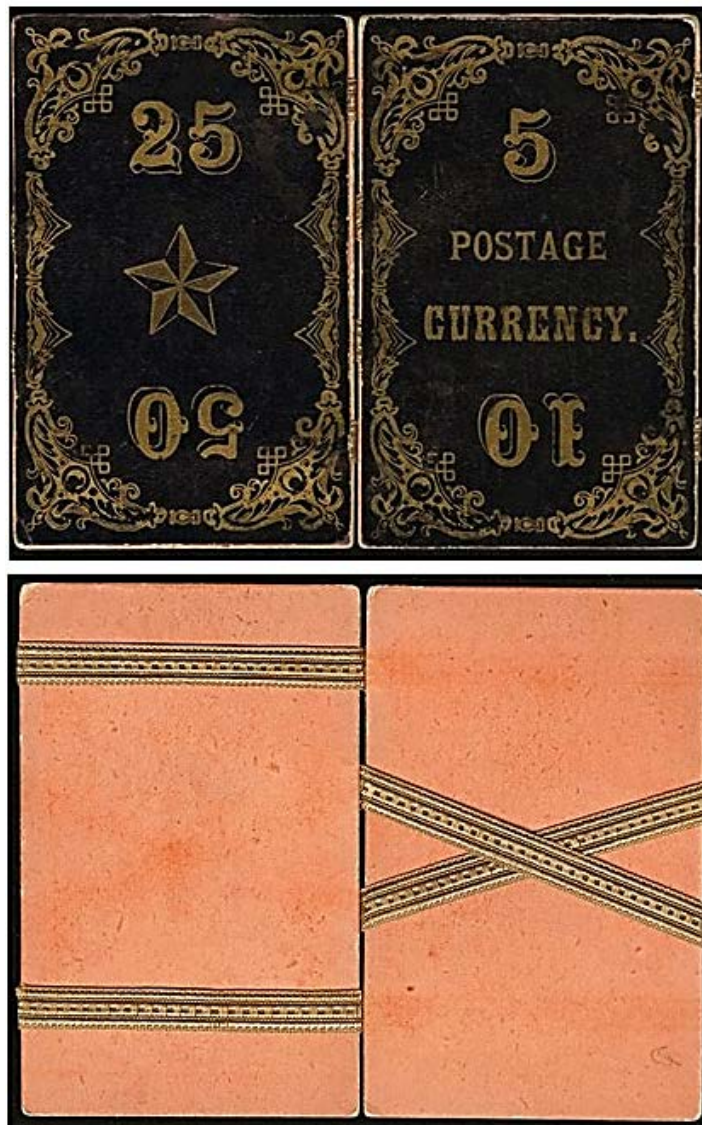
Rick Melamed

(Editor's note: Continued from our Winter Edition...)

OTHER EXMAPLES OF FRACTIONAL WALLETS

Shown is a stunning example of a cardboard wallet. The black exterior is embossed with ornate gold filigree with "POSTAGE CURRENCY." Also on the exterior, 5, 10, 25, 50 denominations are boldly printed (assume either 1st or 2nd issue). The Heritage auction description gives an informative explanation of the cross bands:

"A cardboard flip-over type (often called magic holder) for Fractional Currency notes. As the holder is opened, the currency magically moves from beneath the parallel ribbons on one side to beneath the X-shaped ribbon on the other side. These come in many different formats, including some with advertising on the outside."



The following “United States Currency Wallet” has a fold out compartment for large size bills as well as (4) compartments for Fractional notes.



This is another example of a Fractional cardboard wallet with the familiar crossbands. The exterior, while faded from age, still prominently displays “POSTAGE CURRENCY”.



This brown leather wallet is quarter folded (as oppose to the usual tri-fold wallet found for the period). It holds large sized notes as well as Fractionals. The exterior is gold imprinted with “NOTES.” Under the flap it has “U.S. CURRENCY” imprinted. The interior is made of pressed paper and there are separate compartments for the large as well as smaller fractional notes. The following 2 scans from Heritage show the wallet in detail.





From the Tom O'Mara collection is a fold over paper wallet issued by the Travelers Life and Accident Insurance Company. The size indicated that it was made to hold 2nd issue notes.



The following 3 scans is a wallet that was designed to hold both Fractional notes and Large Size currency, which needed to be folded into quarters to close the wallet. It's primarily composed of pressed paper with leather on the outside and part of the inside where it was needed for strength. It's an unusual configuration and includes bronzing on the outside that states "NOTES", and on the inside "U.S. CURRENCY". With the 5, 10, 25, and 50 compartments, this wallet suggests that it was made during the 1st or 2nd issue of Fractionals.



This worn leather wallet contains five different compartments for storing Postage Stamps or Fractional Currency. Though not shown, the inside pocket is marked with denominations of 5, 10, 25, and 50, plus one unmarked compartment. The additional gold stamped compartments for R.R. TICKETS (railroad tickets), STAMPS and CARDS add to the overall desirability as an all-purpose wallet.



Shown are a trio of very similar tan leather wallets; all 3 contain a thin strap in the center to secure the wallet. The interiors has compartments for the notes.



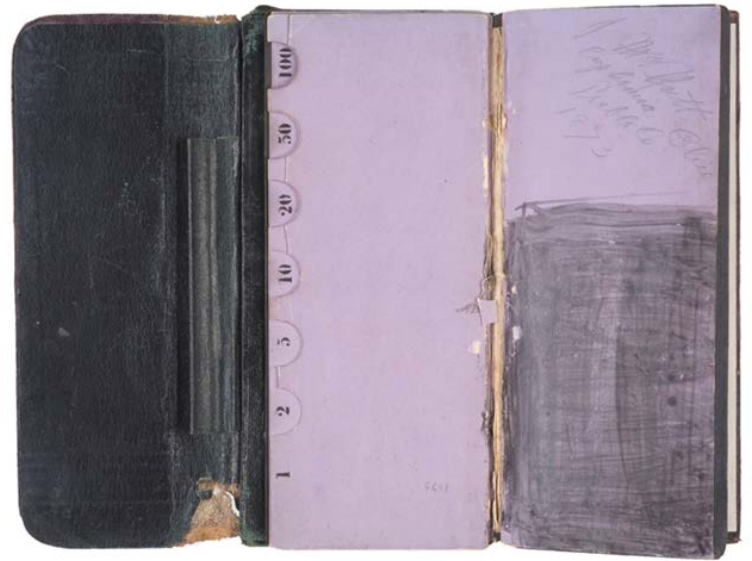


The light tan tri-fold leather wallet is circa 1860's and is not strictly a fractional wallet, but the 'beehive' embossing makes it quite unusual. Early American History auction description offers an interesting narrative:

"Though we have no direct evidence, this wallet has either a rather obvious "Mormon" design of the "Beehive" illustration. Also, during the Civil War, the 13th, 14th and 15th New Jersey regiments were part of Torbert's Brigade and they also choose the "Beehive" design to represent their brigade. In fact, a "Beehive" designed monument stands near the Weichert House on the battlefield, representing their position on the field during that battle. So it is a matter of speculation. This tri-folded wallet could have been designed for the regiment and sold to them by Sutlers, or had Mormon use, or something else."



Shown are a trio of leather tri-fold wallets. All 3 examples have compartments marked with their respective denominations. All ideal for holding Fractionals.

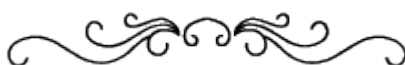


The following Post-Civil War Era Fractional Currency leather wallet contains overwhelming clues to label this a 5th issue wallet. The 1875 calendar of course as well as the 10¢, 25¢ and 50¢ compartments; which are ideal to house currency depicting Messieurs Crawford, Walker and Meredith. The bottom of the tri-fold have compartments labeled: POSTAGE, STAMPS, and CARDS.



Some of the auction descriptions have put the known population of Fractional wallets at 20, but a Google and eBay search indicates the number is probably higher. While still rare, they are affordable with most being a couple of hundred dollars or less. Researching for this article gives us all a great visual reference points. Today, many Fractionals have been relegated to hermetically sealed mylar holders with the associated numerical grade. They have become sterile with little association of the rich history needed to better appreciate the hobby. Seeing Fractionals in period wallets reminds us all that these are not just numismatic items, but a very important part of American life.

I want to thank the auction archives from Bowers/Stacks, Heritage and Early American History auctions. They provide essential pictures and descriptions that are an invaluable tool to the researcher of today. Also thanks to my son David, editor in chief for Live For Live Music...his editorial skills continue to help and shape my articles. Please email myself (riconio@yahoo.com) or our editor Jerry Fochtman if you wish to share any pictures of any other Fractional wallets.



EXCHANGING SILVER FOR FRACTIONAL CURRENCY

By

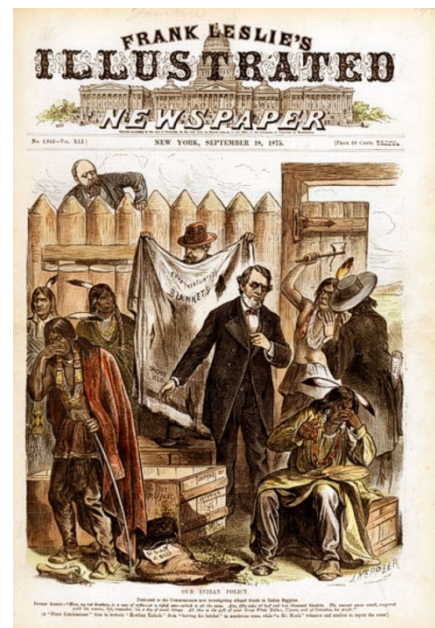
Rick Melamed

From an 1876 Frank Leslie's Illustrated Newspaper is a great fractional related drawing and article entitled:

NEW YORK CITY.—EXCHANGING SILVER FOR FRACTIONAL CURRENCY AT THE SUB-TREASURY.
APPLICANTS AWAITING THEIR TURN.

Frank Leslie's Illustrated Newspaper, later renamed Leslie's Weekly, was an American illustrated literary and news magazine founded in 1852 and published until 1922. During its early tenure, the 10¢ weekly newspaper contained a profuse amount of high quality engravings (and later included Daguerreotypes). In each issue there would be several full page examples that were suitable for framing. Intricately engraved, the large 16½" x 11½" drawings showcased topical news items, famous persons of the day and various bucolic American scenes. The magazine carried topical news, editorials and the occasional serialized story...the soap operas of the 19th century.

Shown below is the engraving and the accompanied text from the newspaper. Under the direction of General Thomas Hillhouse, Assistant Treasurer of the United States, men and boys lined up at the New York based Sub-Treasury building on Wall Street in lower Manhattan to exchange fractionals for silver. The Sub-Treasury, one of 6 known in the US at the time, is better known as Federal Hall. Millions of dollars of gold and silver were kept in the basement vaults until the Federal Reserve Bank replaced the Sub-Treasury system in 1920. We have included a modern day photo of the Federal Building, with the famous George Washington statue, commemorating the first President's inauguration. While not the original building (that was razed in 1812), parts of the original railing and balcony floor where Washington was inaugurated are still on display.



The image speaks volumes of the public's dissatisfaction of fractional currency. Fractional currency came to existence in 1862 because of public hoarding of precious metals after the country entered into a severe recession exacerbated by widespread bank closings and the onset of the Civil War. With very little silver and copper coins to make change, the government was forced to come up with a solution to keep day to day businesses running. Hence, the birth of fractionals. By 1876, with silver in more plentiful supply and the government abandoning fractional currency, citizens were all too eager to exchange their old paper money for something of real intrinsic value. That some had to wait 5 hours to get their silver speaks to the public's desire to return to coinage. Old habits die hard. One can only ponder if one of those gentlemen had an Fr.1352 in their pocket (worth 50¢ in 1874, valued over \$100,000 today).



NEW YORK CITY.—EXCHANGING SILVER FOR FRACTIONAL CURRENCY AT THE SUB-TREASURY.
APPLICANTS AWAITING THEIR TURN.

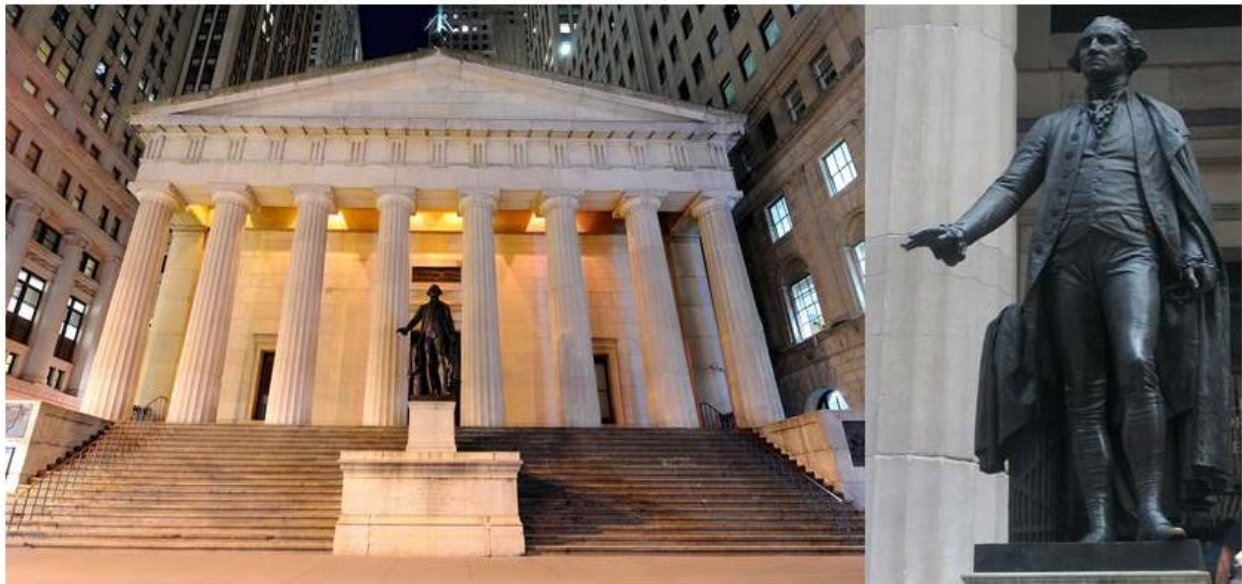
THE SUB-TREASURY IN NEW YORK.

RESUMPTION OF SILVER PAYMENTS.

THE FIRST DAY.

UNDER instructions from the Secretary of the Treasury, General Hillhouse, Assistant-Treasurer at New York, began the exchange of silver for currency on Thursday, April 20th, and has continued on every legal day since. A dense crowd of men and boys thronged the outer steps, the corridor on the first floor, the steps leading to the Fractional Currency Department, and the apartment itself. Nothing but currency was received for exchange, and as every package had to be examined carefully, to determine the value and the genuineness of the tens, quarters and halves, an average of but twenty applicants an hour could be served.

The amounts paid out daily have extended from \$10,000 to \$25,000, and at the speed of exchange, it will be many months before the supply of silver at this one depository will be diminished. The coins are put up in packages on the first floor, by weight and not by count, as generally supposed. When \$1,000 have been rolled up in bundles of various amounts, they are placed in a wooden box, and as the packages in the room above are paid out several boxes are sent up to supply the demand. Owing to the rush, many persons exhausted five hours of time and any quantity of patience on the first days before gaining the coveted silver. The majority of applicants were hotel, restaurant, bar and cigar-store keepers, who used the silver as an inducement to secure extra business. Reports were spread throughout the week that in consequence of the heavy withdrawal of currency from circulation, brokers were paying two and three per cent. premium for all pieces not mutilated. The scare was totally unfounded, because any one could get greenbacks exchanged for currency at the Treasury, and the currency could then either be paid in for silver, hoarded for speculation, or sold to brokers, if any would buy. Beyond the irritability expressed by messengers waiting many hours in a line to be served, there was nothing seen in or about the Treasury that differed from the usual routine of paying the interest on Government bonds.



Federal Building, NYC – Formerly known at the Sub Treasury

